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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 003952

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TAGS: [PGOV](#) [TW](#)

SUBJECT: RULING DPP PESSIMISTIC ON DECEMBER ELECTIONS:
CAUTIOUS REALISM OR JUST POLITICS?

REF: A. TAIPEI 3804

[1B](#). TAIPEI 3793

Classified By: AIT Acting Director David J. Keegan, Reason(s):
1.4 (B/D)

[11](#). (C) Summary. Leaders of the ruling Democratic Progressive Party (DPP) have been expressing pessimism about the party's prospects in Taiwan's December local elections. KMT operatives, on the other hand, have let it be known they are confident the party will do well in December. Though DPP leaders insist they are "genuinely worried," and their pessimism is not a "campaign tactic," a similar pairing of DPP low expectations and KMT overconfidence before the past two presidential elections, the 2001 LY election, and the May 14, 2005, National Assembly election ended in DPP victory. KMT Chairman Ma Ying-jeou, who predicted KMT victory before the May 14 election, has been noticeably more circumspect this go-round, but how he plays the psychological dynamics of the election will be a bellwether of his own leadership style and capabilities in the run up to the 2007 legislative and 2008 presidential elections. End Summary.

DPP Down in the Dumps

[12](#). (C) Taiwan media have been reporting that DPP leaders are cautious, even pessimistic, regarding the party's chances in the December 3 city mayor/county magistrate elections. When AIT asked DPP Deputy Secretary General Yan Wan-chin about these reports on September 20, he confirmed that party leaders are "very concerned" about the party's elections prospects. Yan did acknowledge that DPP negativism before the May 14 National Assembly election may have played a strategic part in the DPP victory in that election, but he insisted DPP leaders really are "genuinely worried" and not "playing politics." This negative DPP assessment, he explained, is based on a realistic assessment of current political realities, notably the rise of KMT Chairman and Taipei Mayor Ma Ying-jeou, and on internal DPP public opinion polls.

[13](#). (C) Contrary to the public optimism voiced by some DPP candidates, Yan said, internal DPP public opinion polls indicate the party is in trouble. He dismissed DPP Taichung mayoral candidate Lin Chia-lung's public optimism (Ref A), telling AIT that internal DPP polls showed Lin with little or no chance of beating incumbent KMT Mayor Jason Hu. Yan explained that people are upset with President Chen and have a low opinion of the DPP and the DPP government. A series of scandals involving special treatment for the President, the Kaohsiung MTR, and protests by Thai laborers have hurt the ruling party, Yan insisted. (Note: DPP elder and Control Yuan President Yao Chia-wen separately told AIT that support for the DPP island-wide had declined, but the "deep Green" Yao attributed this decline to Chen's departure from DPP independence principles, in contrast to the reasons given by the more moderate New Tider, Yan Wan-chin. End Note.) While the DPP's "One Queen and Three Kings" (Vice President Annette Lu, Premier Frank Hsieh, Presidential Secretary General Yu Shyi-kun, and DPP Chairman Su Tseng-chang) will campaign for DPP candidates this Fall, Yan told AIT, they will do so independently, will not coordinate with Party central or each other, and will push their own 2008-related agendas.

[14](#). (C) The DPP, Yan told AIT, is placing its hopes on three counties -- Taipei, Yunlin, and Penghu. Ilan County is a dead heat. Yan expressed optimism only regarding the all-important Taipei County magistrate election, telling AIT that internal DPP polls have shown DPP candidate Lo Wen-jia steadily ahead of KMT candidate Chou Hsi-wei from the outset, in contrast to other polling organizations that have shown Lo pulling from behind only in the past week to pass Chou. Yan dismissed candidate Chou's pledge the previous day to rent out the Magistrate's office and relocate to a trailer in order to both save money and stay in touch with voters. Taipei County voters, Yan scoffed, are too sophisticated to fall for such political games, and besides it would probably be illegal.

15. (C) Yan told AIT that the DPP is planning a vigorous campaign to overcome this pessimistic assessment. First, the party will make an "early announcement" of its nominees next week, he said, to get a jump-start on campaigning. Second, the DPP will launch a vigorous "negative campaign" against the KMT, targeting both Taipei Mayor and KMT Chairman Ma Ying-jeou and Taipei City. The DPP will highlight the excessive funding Taipei City receives from the central government in order to tap into both Taipei County resentments and island-wide indignation at Taipei City's preferential treatment. In response to AIT's comment that this "excessive funding" came from the Executive Yuan (EY) run by the ruling DPP, Yan responded that such details do not matter during the heat of a campaign.

PM Hsieh on the Presidential Skids?

16. (C) The December local city mayor/county magistrate elections, Yan told AIT, could have a profound impact on the party's 2008 presidential nomination and prospects. PM Hsieh's premiership and his presidential prospects, Yan continued, have been seriously damaged by the gridlock that has hobbled the government since Hsieh took office in January 2005. This leaves DPP Chairman Su Tseng-chang as the most viable DPP presidential candidate at this still early date, Yan argued, since Vice President Annette Lu and Presidential Secretary General Yu Shyi-kun have "absolutely no chance."

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Explaining that his own DPP New Tide faction strongly supports Su and opposes Hsieh (the latter "on purely personal grounds," Yan acknowledged), Yan queried AIT about Su's performance during his visit to Washington earlier this Summer -- how well did Su convey himself in Washington and how did Americans respond to him? There is one major obstacle to a Su 2008 nomination, Yan explained: the December 2005 local elections, loss of which would severely damage Su's presidential prospects. (Comment: Yan has his own ax to grind here as a member of the New Tide faction; until the Kaohsiung transit scandal reported Ref B, we had been hearing pretty much the exact opposite -- that Hsieh was receiving credit both within the DPP and among Taiwan voters for reaching out to the "Pan-Blue" opposition. End Comment.)

Comment: Been There, Deja Vu

17. (C) DPP leaders may be "genuinely worried" about the party's prospects on December 3, as Yan insisted. Nevertheless, the emerging scenario of DPP pessimism and KMT confidence is eerily reminiscent of previous elections, when DPP leaders expressed pessimism and KMT leaders, Mayor Ma in particular, proclaimed confidence in winning. DPP pessimism served to mobilize supporters and KMT optimism kept supporters at home. Though they express surprise at the very idea, DPP leaders are certainly aware of the electoral effectiveness of pessimism and may be employing it once again for the December local elections.

KEEGAN